

PORSF  
11.3.31.5.1-10 99-133  
5/2/99

LOCAL DEPARTMENT  
99 APR 33 AM 9:25  
PORT OF PORTLAND

AGREEMENT BETWEEN OREGON STEEL MILLS  
AND  
THE PORT OF PORTLAND  
FOR  
KINDER-MORGAN DITCH EVALUATION  
BY  
EMCON BULK TERMINALS, INC.

Post-It Fax Note	7671	Date	
To	LYNNE SALVI	From	EMCON BULK
Co/Depo	PORT OF PORTLAND	Co	OREGON STEEL
Phone #	503-731-7038	Phone #	978-6189
Fax #		Fax #	
		# of pages	3

### RECITALS

Whereas:

A. At the request of the Port of Portland ("Port"), EMCON prepared a revised Scope of Work and cost estimate to assess the high pH ditch water at the Kinder-Morgan potash storage/shipping plant in the Rivergate Industrial Park in Portland, Oregon.

Whereas:

B. The Scope of Work is comprised of two phases, Phase I and Phase II, and is described in the EMCON letter from John E. Edwards dated March 19, 1999, attached (hereinafter the "Proposal"). The work undertaken pursuant to the Proposal shall be referred to as the "Work."

Whereas:

C. The estimated cost of completing Phase I and Phase II is \$12,483 and \$38,500, respectively.

Whereas:

D. The Port has requested that Oregon Steel Mills ("OSM") enter into a contract for services with EMCON to complete the Work described in the Proposal with the understanding that the Port will reimburse OSM for one-half of the cost of completing the Work.

Whereas:

E. OSM is willing to enter the contract for services with EMCON.

Whereas:

F. OSM requests that the Port acknowledge its agreement to pay one-half the cost of completing the Work

1 - AGREEMENT

USEPA SF



1291157

NOW, THEREFORE, the parties agree:

1. The Port will pay one-half the cost, not to exceed \$6,250 for Phase I of the work, and an amount not to exceed \$19,250 without the consent of the Port for Phase II. The Port and OSM agree that no work on Phase II shall be undertaken without the Port's prior consultation and written consent.
2. OSM will provide the Port copies of all documents relating to the completion of the Work provided to OSM by EMCON, including work plans, reports, data summaries, correspondence, raw and/or draft data, laboratory analysis, chains of custody documentation, field notes or other similar documents. The Port shall have the right to review and comment on any draft reports for Phase I or II, and EMCON shall not finalize any such report until the Port has been provided such drafts.
3. From time to time it may be necessary for EMCON to change the scope of the Work in order to fulfill the objectives of the Proposal ("Change of Scope"), including a Change of Scope that may require the cost of the Work to exceed the cost estimated in the Proposal. In such a case, EMCON shall provide OSM and the Port with a proposed Change of Scope. If both parties approve the Change of Scope in writing, then each party will be responsible for one-half of the cost of implementing the Work required pursuant to the Change of Scope. If only one party approves the Change of Scope, EMCON shall so notify the other party and if it chooses to go forward with the change order, then that party shall pay for all of the cost of the Work associated with the Change of Scope. If neither party approves, then EMCON will not be authorized to undertake the Work in the proposed Change of Scope. Each party shall either approve or disapprove of a Change of Scope within thirty (30) days of receipt in writing of the proposed Change of Scope.
4. EMCON will periodically render invoices to OSM for its services in conducting the Work. OSM will forward a copy of the invoices and supporting materials to the Port upon receipt from EMCON. The Port shall reimburse OSM its one-half share of the invoice within 30 days of the Port's receipt of the EMCON statement.
5. In the event that litigation, arbitration or any other dispute resolution proceeding becomes necessary as a result of the conditions in, on or around the Kinder-Morgan property, the Port agrees that Hart Crowser may serve as an expert witness on behalf of OSM, and the Port will not seek to disqualify Hart Crowser from serving as an expert witness in any such proceeding.
6. Except as specifically provided in this Agreement, the parties reserve all rights they otherwise possess. This letter agreement is executed, and the division of costs agreed to herein is, solely for the convenience of the party in performing the Work by this letter and the actions taken pursuant to it. Neither party admits any responsibility, liability, obligation or duty for the conditions at the properties to be the subject of the investigation pursuant to the Work. This letter in no way obligates either party to fund, participate in or otherwise contribute to any actions at the properties other than the completion of the Work.

AGREED TO AND ACCEPTED:

PORT OF PORTLAND

OREGON STEEL MILLS

By: *John Thomas*Title: *Executive Director*Date: *5/3/99*By: *[Signature]*Title: *MANAGER, ENV. SERVICES*Date: *5/2/99*APPROVED AS TO LEGAL SUFFICIENCY  
FOR THE PORTBy: *V. F. Siler*  
Counsel for the Port of Portland